



Jordan Van Trump &lt;jordan@farmdirection.com&gt;

**GOOD MORNING: The Van Trump Report 7-9-20**

1 message

**The Van Trump Report** <reply@vantrumpreport-email.com>

Thu, Jul 9, 2020 at 5:31 AM

Reply-To: Jordan &lt;reply-febe12707c6c0c7f-1180\_HTML-40325470-100003450-9@vantrumpreport-email.com&gt;

To: jordan@farmdirection.com



*"Great achievement is usually born of great sacrifice and is never the result of selfishness."* - **Napoleon Hill**

**Thursday, July 09, 2020**[Printable Copy](#) or [Audio Version](#)

**Morning Summary:** Stock bulls point to the massive amount of Fed stimulus that has been injected into the U.S. economy and the likelihood of even more stimulus to come perhaps as soon as early-August. Bears on the other hand point to the continued rise in coronavirus hospitalizations and some U.S. consumers and business owners pausing to reassess risk. There's also starting to be a lot more debate about employment moving forward... United Airlines said yesterday it could be forced to shed almost half its U.S. workforce, telling 36,000 employees they could be furloughed from Oct. 1 forward because of the pandemic-driven slump in passenger demand. At the same time, nearly 70,000 tech-startup employees world-wide have lost jobs since March. Startups in the San Francisco region, including Silicon Valley, have shed more than 25,500 jobs, including layoffs at high-profile companies such as Uber, Groupon and Airbnb. I should also note, Levi Strauss reported yesterday they will be laying off 700 corporate workers as the company reported a loss of -\$364 million in its second-quarter compared with a profit of +\$29 million for the year-ago second

quarter. Bears are also quick to point to the massive fallout in retail and how it might ultimately impact employment. Brooks Brothers, founded in 1818, filed for bankruptcy yesterday. The retailer has more than 200 stores in North America and 500 worldwide. Women's retailer Lane Bryant and Ann Taylor also announced yesterday they were filing bankruptcy and are preparing to close at least 1,200 of its 2,800 stores as soon as this week. Remember, less than half of our workforce has a college degree and many depend on jobs in the retail, restaurant, and hospitality sectors. St. Louis Federal Reserve Bank President James Bullard yesterday said he expects unemployment will fall below 8% by the end of the year, compared to the current rate of 11.1%. From my perspective, it will be interesting to see where and how these jobs are replaced. Another round of Fed stimulus should buy a bit more time but then what? We have to get a vaccine or improved treatments soon rather than later so we can get ALL the consumers back participating. If 10% to 20% of the U.S. consumers remain on the sideline that could really weigh on employment and corporate profitability. There's no question, the Fed stimulus has been massive, but will it be enough to extend to all for the entire length of time needed to reach the other side of this pandemic? With more bankruptcies being announced each day there's starting to be some questions? Any business weaknesses that were present pre-corona are certainly being exploited in today's economy. As many are saying, it's out with the old and in with the new... be certain you are making the necessary adjustments. This is not the environment to be fighting against the waves and going down with the old ship. When the storm is brewing is when you want to be searching for and surfing the new waves...

**Are Record Low Mortgage Rates Coming?** *The average rate on a 30-year fixed-rate mortgage fell to 3.07% from 3.13% last week, according to Freddie Mac. Insiders are saying it's now possible that rates could fall sub-3% this year.*

**Uber Buying Postmates**, a food delivery startup, for \$2.65 billion. *Interestingly, Uber laid off 14% of its workforce in May and took a \$2.9 billion loss in Q1 of 2020. The company did see revenue from the UberEats division grow by +53% with bookings up over +54% year over year. Combined, Postmates and Uber will have a 37% share of food delivery sales in the United States.*

**Chiefs QB Gets Paid!** *Quarterback Patrick Mahomes and the Chiefs have reached an agreement on a 10-year contract extension, the team confirmed on Monday. The deal will be worth an NFL-record \$503 million, reports NFL Network. They also pointed out that the quarterback's contract is the largest in sports history and this marks the first time an NFL player has been the highest-paid player in sports! Let's not forget, Mahomes already has an impressive portfolio of endorsement deals, from Oakley to State Farm, Adidas to Procter and Gamble. I also heard, one of his other endorsement deals, Airshare, comes with extra perks besides the money. He has access to the private jet company's airliners whenever he wants to travel as part of his deal. Wow...,not bad for a 24-year old starting his third year on the job!*



**NEW Highly Volatile Podcast... "Political Uncertainty, Social Media, and Our Nation's Future with special guest Jim Meyer"** Andy Daniels and Kevin Van Trump invite Jim Meyer, Managing Director at Golden Square, to talk about everything from politics to quail hunting and horse racing.

If you haven't yet signed up for the podcast series, you can do so for FREE by [Clicking HERE](#), the podcast will come direct to your inbox from our FarmTank team. Look for the NEW podcast in your inbox around 7:30 AM CST!

**Gold ETF Inflows Hit Record:** *Nearly \$40 billion flowed into gold-backed exchange-traded funds in the first half of the year, topping the previous annual record and highlighting robust investor demand for precious metals during the coronavirus pandemic. The flood of money into the gold market comes with bullion prices reaching their highest level in nearly nine years. Prices are up nearly 20% for the year approaching their all-time high of \$1,891.90 from August 2011. These funds, such as SPDR Gold Shares, have grown in popularity in recent years because they are an easy way for investors who generally don't invest in commodities to add gold to their portfolios. Shares of gold miners like Newmont Corp. and Barrick Gold Corp. have soared in recent weeks, bringing their year-to-date advances above 45%. Precious metals are also getting a boost from unease about November's U.S. presidential election, geopolitical concerns, and worries about inflation. Despite the surge, some traders caution that positive news about coronavirus vaccine developments and the global economic recovery could be a headwind for precious metals. Read more from [The Wall Street Journal](#).*



Gold is above \$1800 for the first time since 2011.

Here's the 20-year monthly chart.



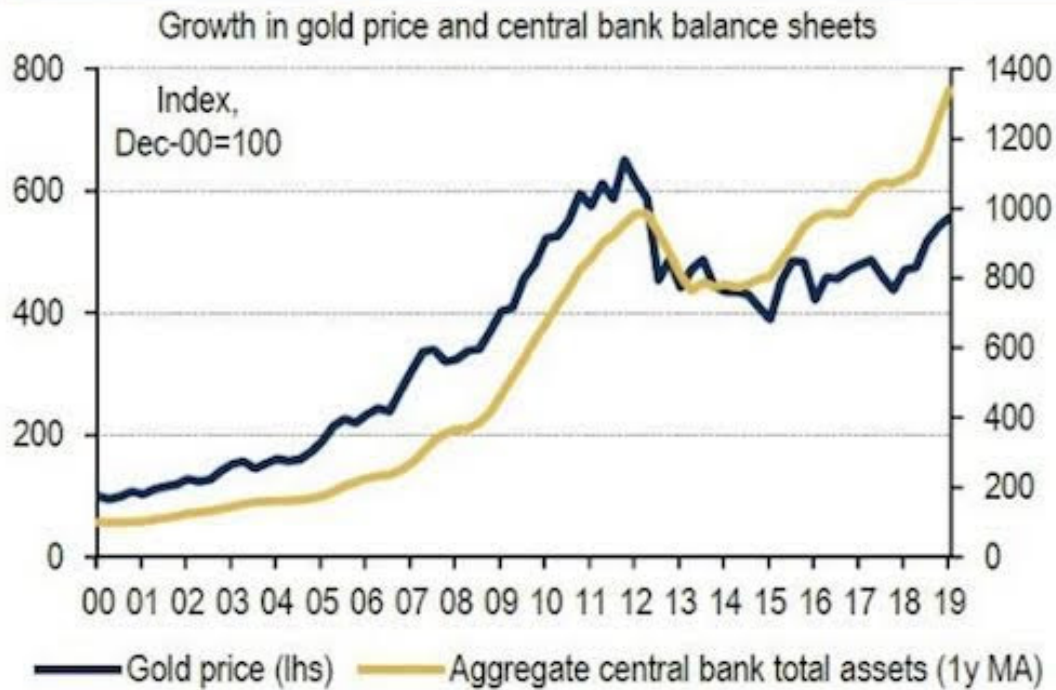


tom brakke  
@researchpuzzler

## chart crime

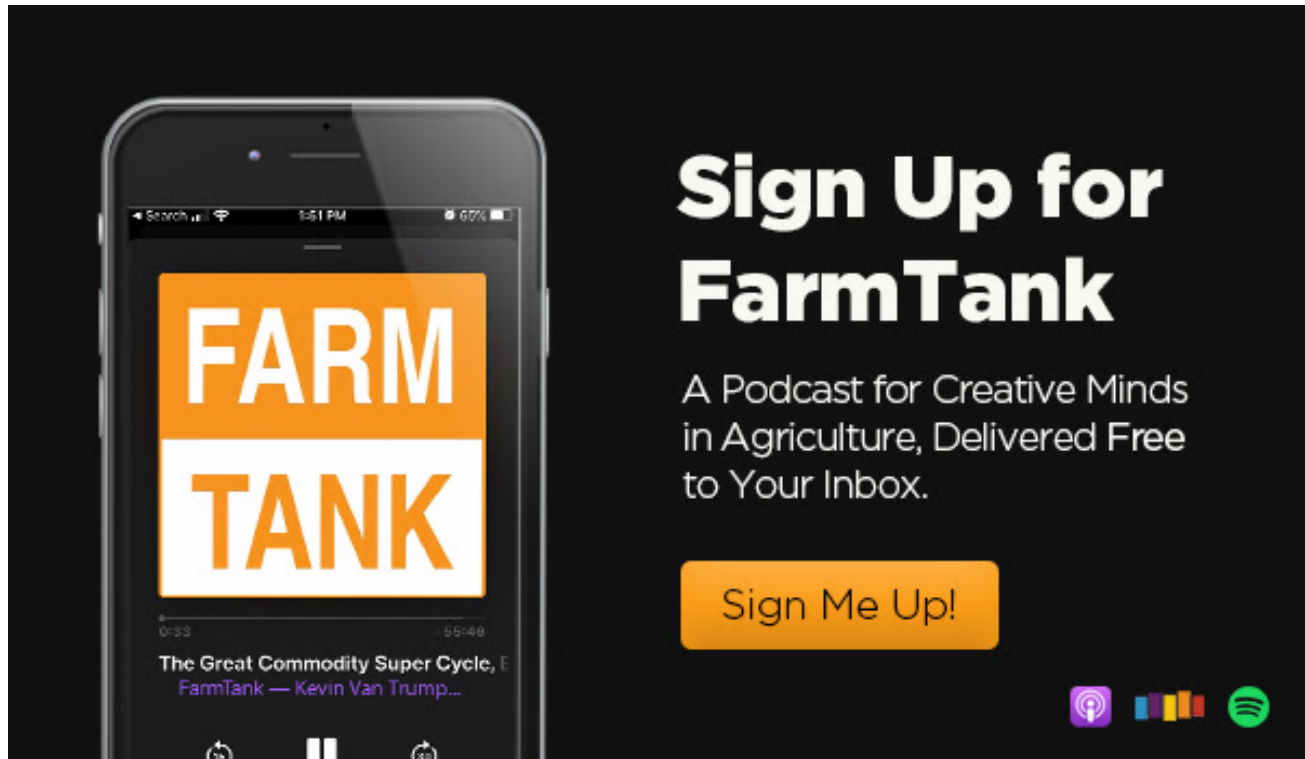
if you're going to "index" things, put them on the same scale, so that 100 = 100 and you can see the relative growth easily

**Chart 1: If central banks double their balance sheet as GDP contracts, gold prices will push higher**



Source: Bloomberg, BofA Global Research





**Apple Maps Driving Activity Slowing Again:** *As coronavirus cases surge across the United States, Apple Maps data shows a slowdown in requests for driving directions, a potential warning sign as the country works to restart the economy amid the pandemic. After a sharp decline in March, requests for driving, walking and transit directions had been steadily increasing in the U.S. But after reaching a peak in early July, driving direction requests have dropped by -6% over the past few days, based on the change in a seven-day moving average. The four states that are the leaders in average daily new reported cases over the past week, according to Johns Hopkins University data — Florida, Texas, California, and Arizona — have each seen a recent decline in driving directions requests. California, Texas, and Florida are also the top three gasoline-consuming states. While the Apple mobility data is just one signal that may provide insight into what the future will bring for the U.S. economic comeback, it's an example of the kind of "high-frequency" indicators some investors are keeping an eye on. Read more from [CNBC](#).*

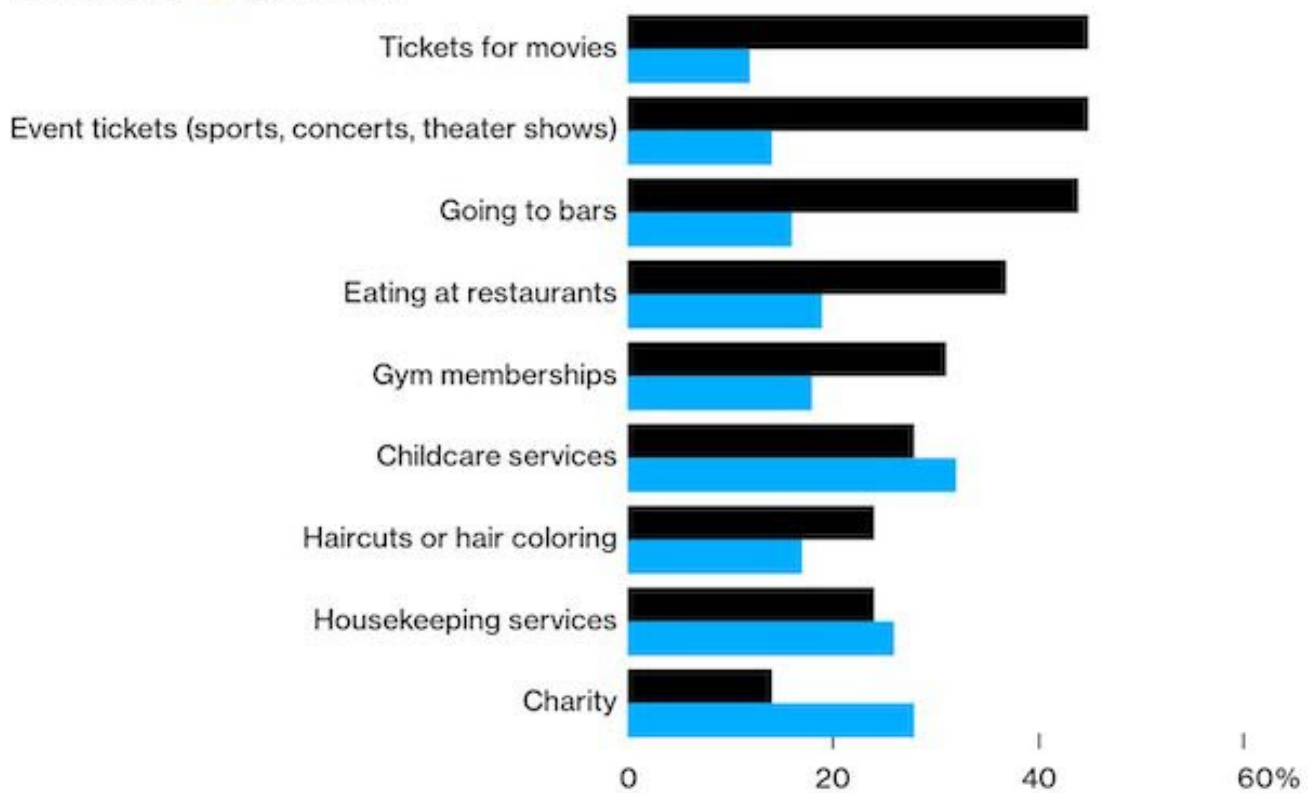
**Consumers Plan to Spend Less:** *Even with many states reopening, new data show consumers may not be prepared to return to pre-pandemic spending levels. More than 40% of people who spent money on movies, event tickets or at bars before the pandemic now plan to spend less on those activities, according to a new survey for CreditCards.com. More than 60% of small businesses said they needed spending to return to normal by the end of the year to stay open, according to American Express data, but the pandemic may have longterm effects on spending habits. "The biggest fear*

*that people seem to have is the virus itself," said Ted Rossman, industry analyst at CreditCards.com. "The things that people are planning to cut back on are some of the things that are much harder to keep your distance." Americans may have also learned to live without some of these expenses over the past few months, he said. Instead of paying for a gym membership, for example, they may now be satisfied with working out at home or a local park. While many plan to spend less on movies, sports and concert tickets, dining out and haircuts, some plan to spend more on charity (28%), housekeeping (26%) and child care (32%). When they do spend money, 59% of respondents said they were tipping more and going to local businesses more than usual. (Source: Bloomberg)*

### Consumers Plan Cutbacks as Businesses Reopen

Americans who once spent money on movies, sports events and dining out say they plan to spend less when virus restrictions lift.

■ Spend less ■ Spend more



Source: CreditCards.com

Bloomberg

# FARM TANK

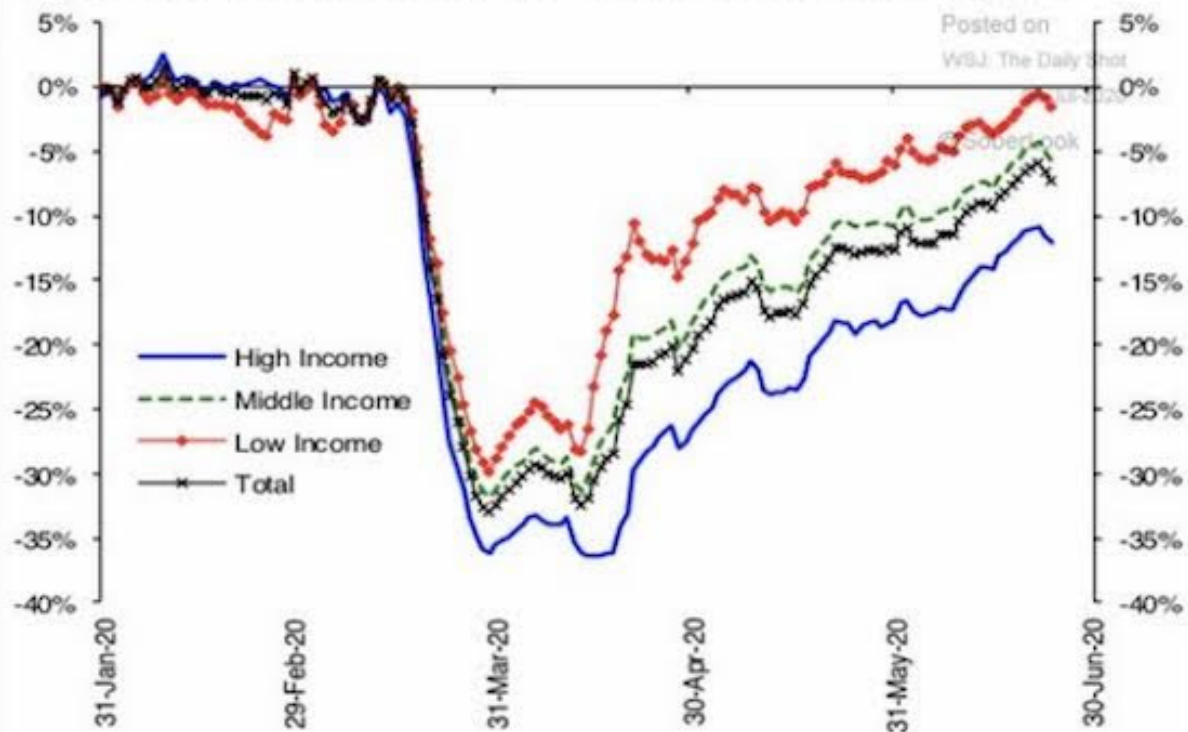
## Tweets of the Day



**Liz Ann Sonders** ✓  
@LizAnnSonders

Spending by low income cohort has made nearly complete rebound to pre-pandemic levels, while wealthier consumers have had slower crawl back to normal [@scotiabank](#) [@SoberLook](#)

**U.S. Consumer Spending\* Split by County Income Level**



\*% change in avg consumer credit and debit card spending, indexed to Jan. 4, 2020.





**Storm Chaser Kyle Russell Allen**  
@KyleGraves24



Shhh!! The lightning is trying to become one with the trees!

@StormHour @ReedTimmerAccu @aaronjayjack

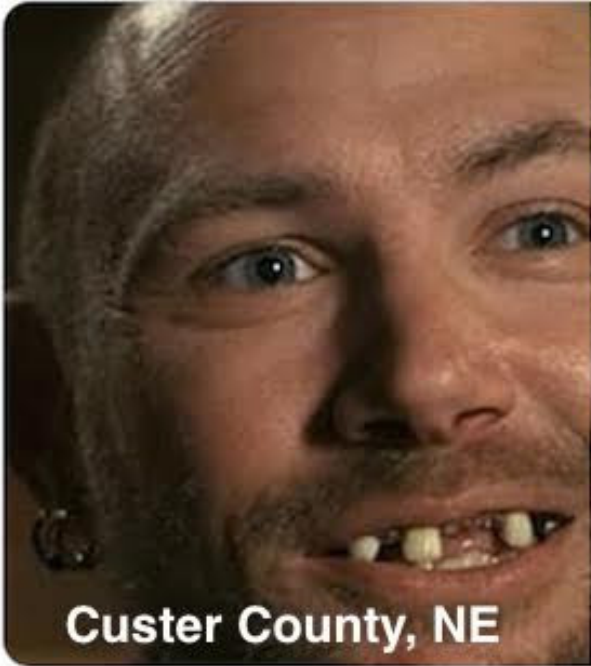
#StormHour #Weather #retweet\_weather  
#LightningStorm





**Casey C.**  
@cattleNcrops83

This is what our dryland corn pollination is going to look like if we don't catch a rain soon.



**Custer County, NE**



**Modern Day Farmer**  
@pattysummers89

Combines are too expensive to only use a couple months a year.

[#ontag](#) [#newholland](#)









**ERIC THE GREAT**  
@NotTodayEric



If you can smell this picture you're my people.



**Mike Jones**  
@SWFMike



Teach 'em young. Gonna need a [#andyclean](#) sticker for this unit too. 'It ain't clean if the tires are dirty' he says..... [@apasztor82](#)





Ancaster, ON





Inspired Motivation Quotes

@IMQuotes\_Videos

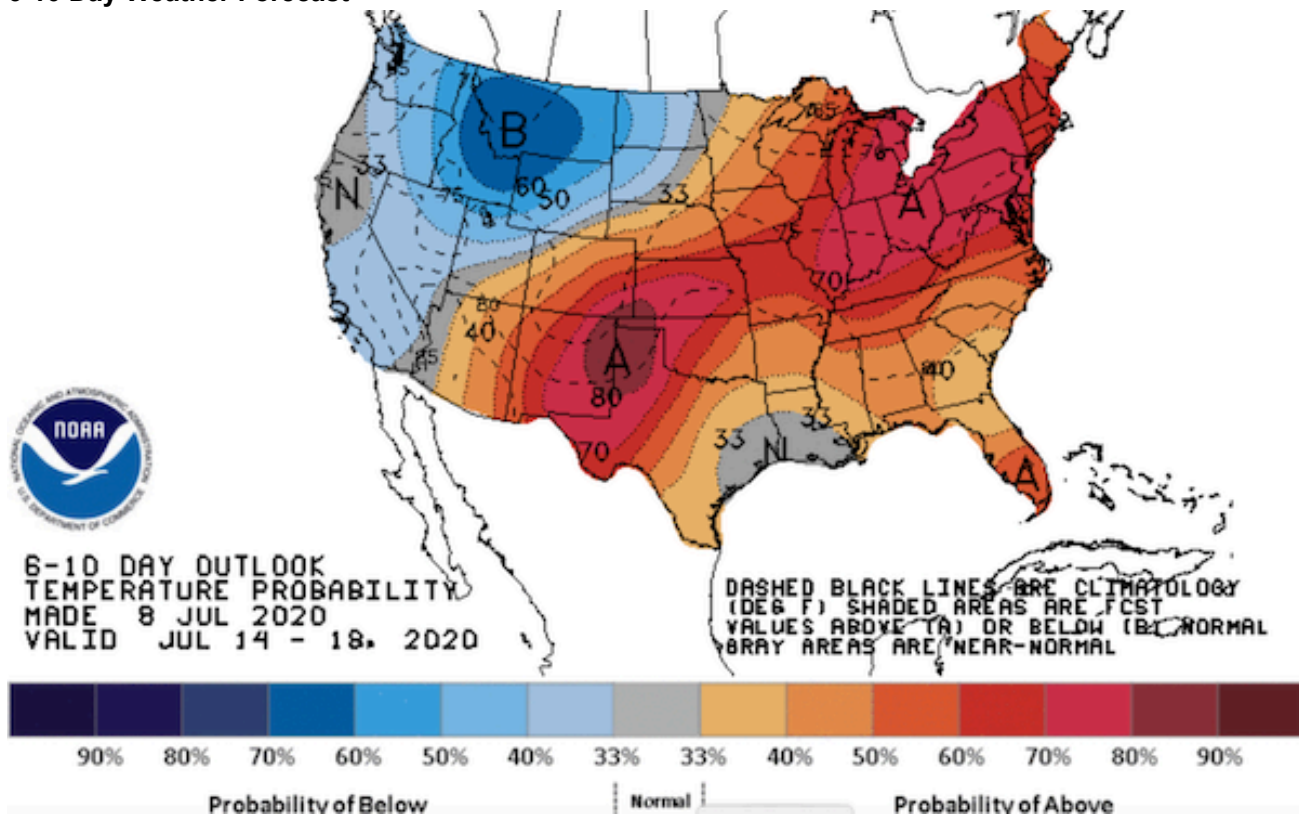
Embrace change.

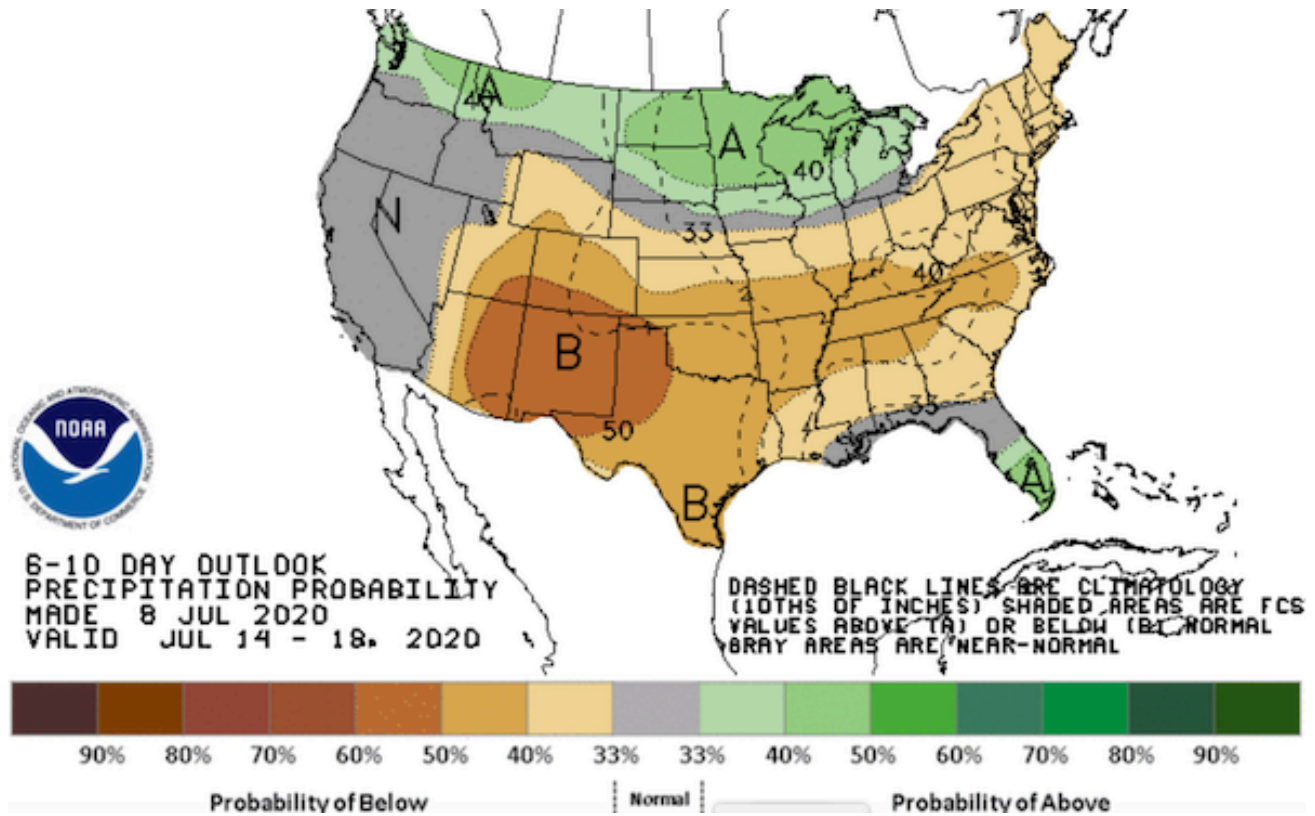
#TuesdayMotivation

Never be afraid of change.  
You may lose something good,  
but you may gain something  
even better.

@IMQUOTES\_VIDEOS

## 6-10 Day Weather Forecast





**CORN** prices have held mostly steady since last week with the DEC20 contract trading in a 15 cent range between \$3.48 and \$3.63 per bushel and well off the recent \$3.22 contract low. Don't forget we have the July USDA "supply and demand" report tomorrow. The trade is hoping to see a significant reduction in the estimate for total U.S. production. The USDA was previously forecasting close to 16.0 billion bushels, the trade is now looking for a number sub-15.1 billion bushels depending on yield which is currently estimated at 178.5. At the same time, the trade is looking for the USDA to reduce ending stocks by -500 to -600 million bushels. The USDA was formerly forecasting new-crop ending stocks at +3.3 billion bushels, the trade is thinking that number will now be somewhere around 2.7 billion bushels. The fear is corn used for ethanol could still disappoint as U.S. consumer demand for gasoline is still -10% to -15% below last year. Bears also point to uncertainty with exports and perhaps feed and residual. In other words, ending stocks might not drop as much as some are anticipating, it just depends on how quickly the USDA wants to adjust and reduce demand. If the USDA wants to wait and take a longer look at demand, perhaps they don't make any significant adjustments and we catch a bullish surprise on lower than anticipated ending stocks. Globally, bulls are hoping to see a slight reduction in the USDA's production estimates for both Argentine and Brazilian corn production. Moving forward, the trade is going to be focused on US. weather and its overall impact on the final yield. Bears are thinking the yield could end up record large and north of 180 per bushel. Bulls are doubting the current USDA estimate of 178.5, sighting bigger uncertainties in Illinois and a few other important states, ultimately thinking the

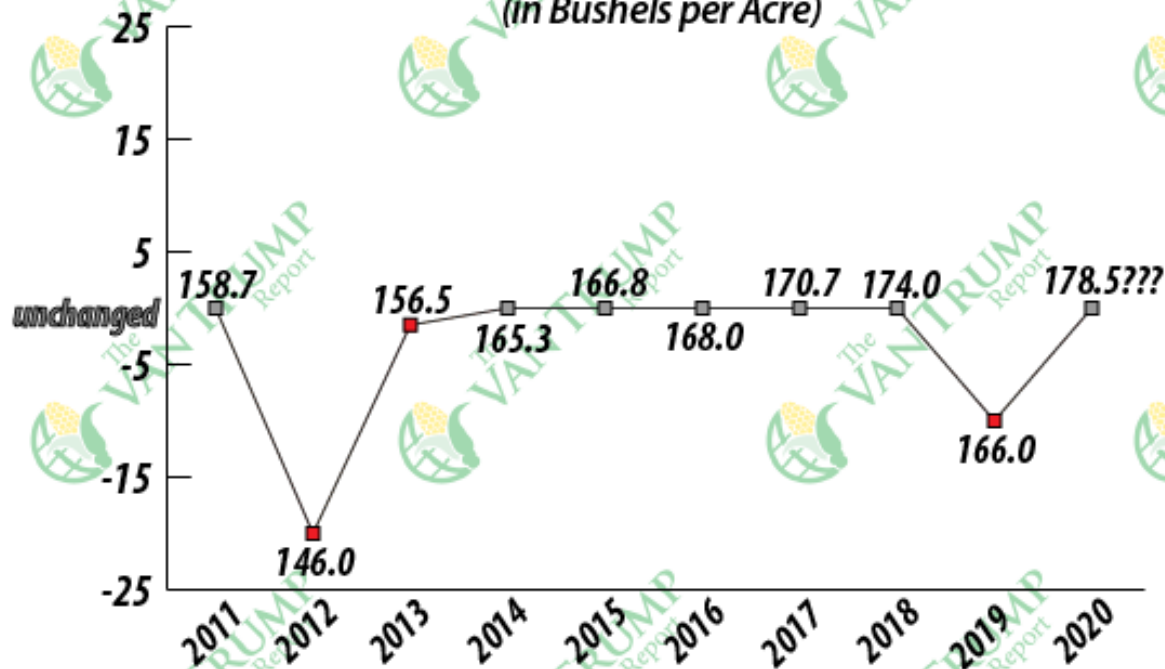
U.S. yield falls sub-175. Bulls and bears will also be looking for any changes in ethanol or export demand.



# Corn Production Yield Difference

## May vs. July WASDE

(in Bushels per Acre)



@KevinVanTrump

Source: USDA, WASDE, July 2020

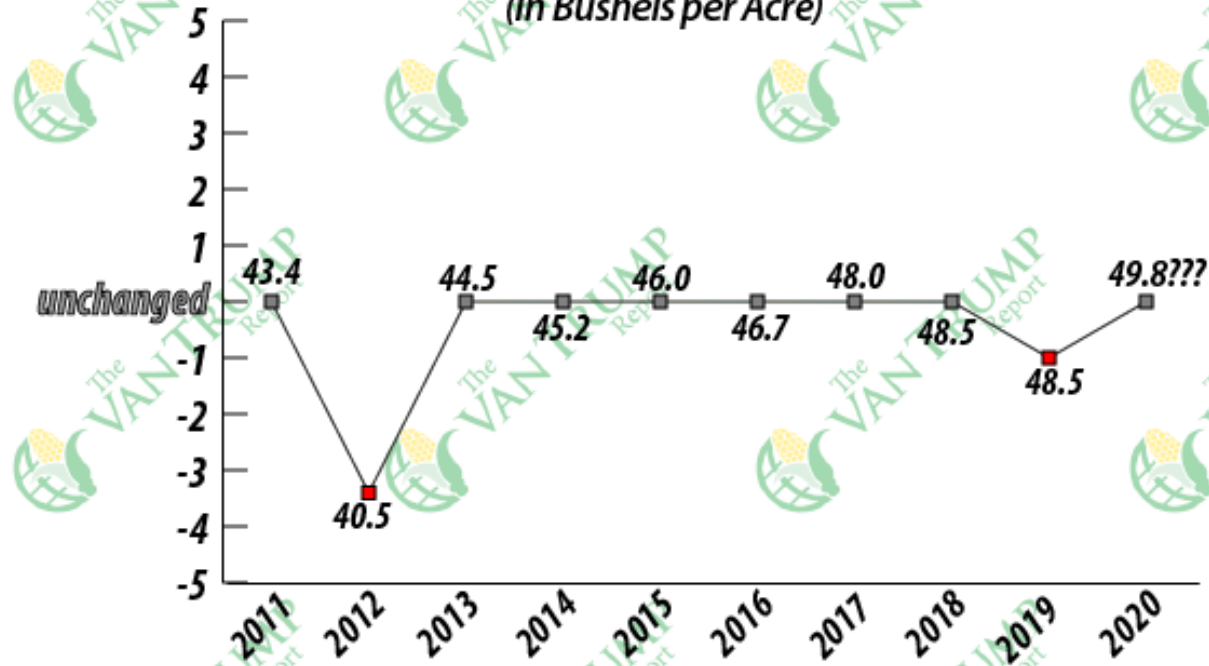
**SOYBEAN** prices have not moved much since our last update. We had the big price jump from \$8.60 to \$9.00 per bushel following the June Acreage and Quarterly Stocks report and since we've moved sideways to slightly lower as the trade prepares for tomorrow's July USDA report. Most inside the trade are thinking the USDA's recent 4.125 billion bushel U.S. production estimate might move a bit higher on a slight upward adjustment to yield from 49.8 to 50.1 bushels per acre. At the same time, endings stocks might push a bit higher. This report probably has the bulls a bit hesitant to jump in front of, but I'm thinking in the days following the release, perhaps the market works itself back higher. Bottom-line, I just want to get past this report with the bulls somewhat unscathed so they can then start to refocus on U.S. weather uncertainties and Chinese demand. Technically, the NOV20 contract has nearby support around the \$8.80 level. If this number can hold I think there's a chance we could rebound and take out the recent high at \$9.12<sup>4</sup> then perhaps retest the tougher resistance up in the \$9.20 area.





# Soybean Production Yield Difference

*May vs. July WASDE*  
(in Bushels per Acre)

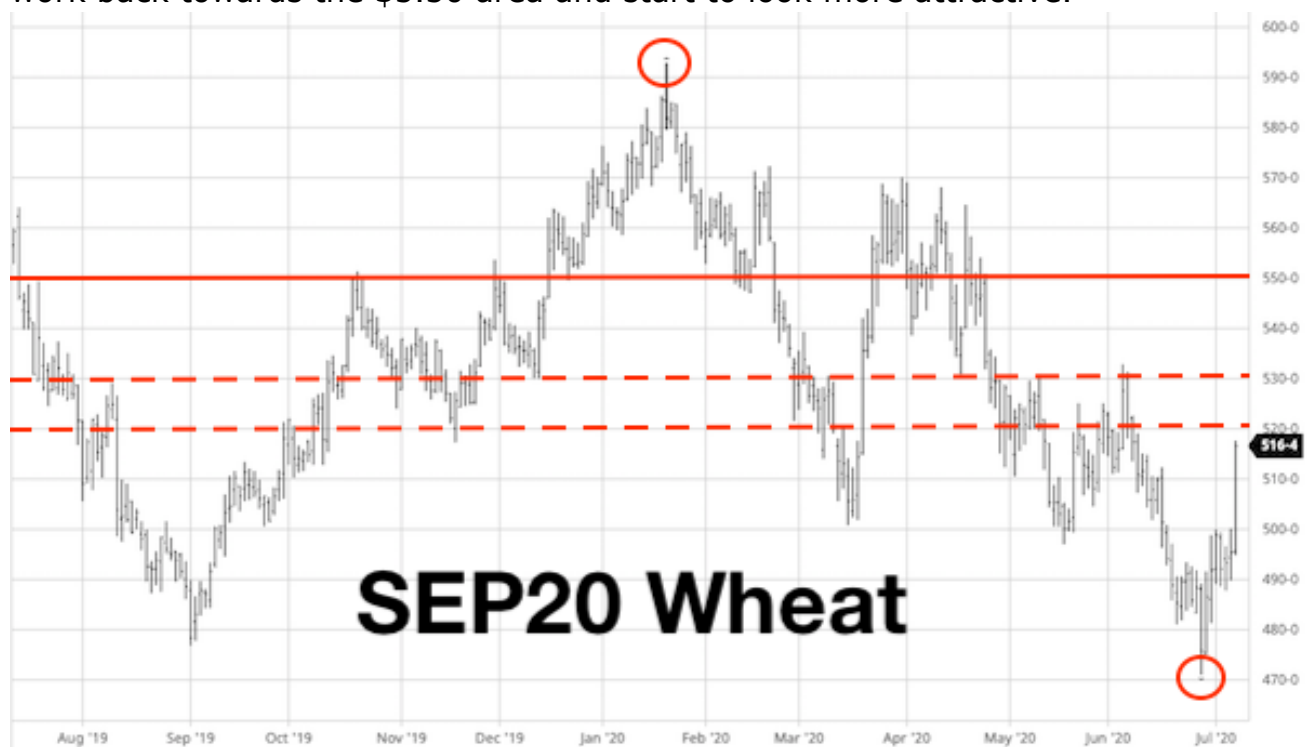


@KevinVanTrump

Source: USDA, WASDE, July 2020

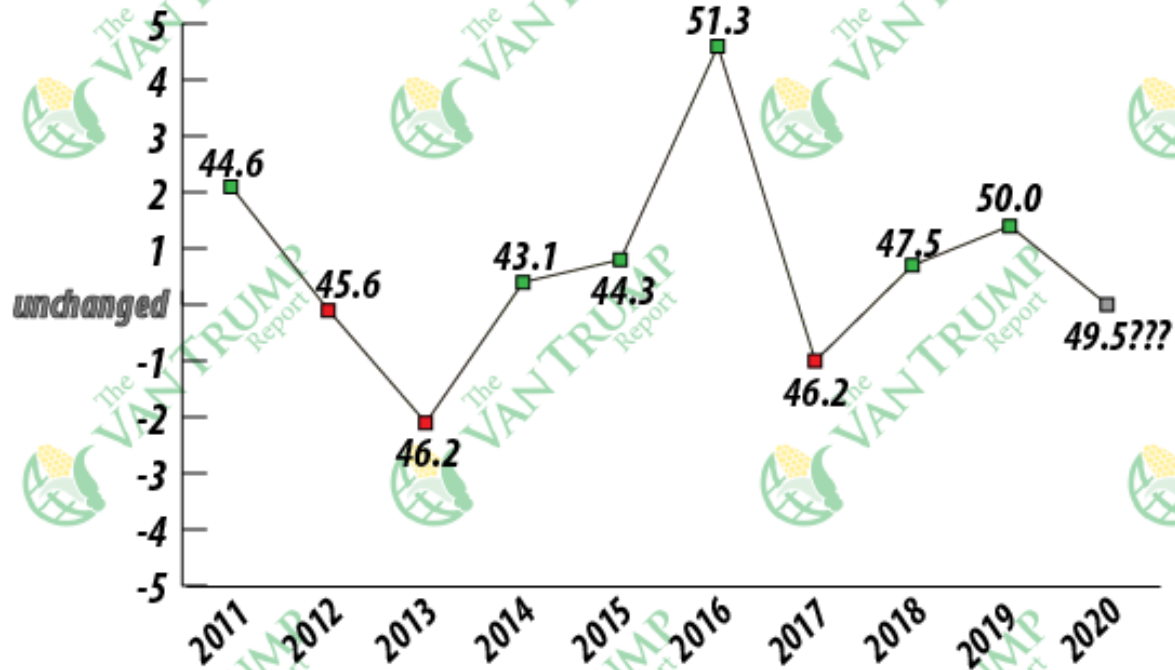


**WHEAT** prices have jumped +20 cents since our last report and are now up almost +50 cents off the very recent June 26 lows. Bulls continue to point towards weather problems causing production hiccups for growers in parts of the European Union and Black Sea region. In particular, bulls seem really focused on struggling crops in parts of southern Russia, Ukraine and France. There's also some talk and rumblings of increasing wheat taxes in parts of Argentina. On the flip side, bears point to the fact U.S. wheat was already considered somewhat overpriced as global supply remains near record levels, so higher U.S. prices will not make us more competitive in the global marketplace. Don't forget, we have the USDA updating supply and demand numbers tomorrow. The trade is looking for a slight reduction in U.S. "All Wheat" production. Unfortunately, the trade is also thinking the USDA could bump ending stocks a bit higher as demand continues to remain shaky. As both a producer and a spec, I worry that the market might not be able to get through the next level of heavier resistance in SRW between \$5.20 and \$5.40 per bushel. We will need to keep fresh and worrisome supply-side headlines flowing in order to attract new bulls. If the current bulls pause to catch their breath and the headlines aren't able to attract new bulls we will start to give back the recent gains. Producers should use the recent rally to get caught up on sales and reduce some longer-term risk. Also, keep an eye on the JUL21 new-crop prices as they work back towards the \$5.50 area and start to look more attractive.



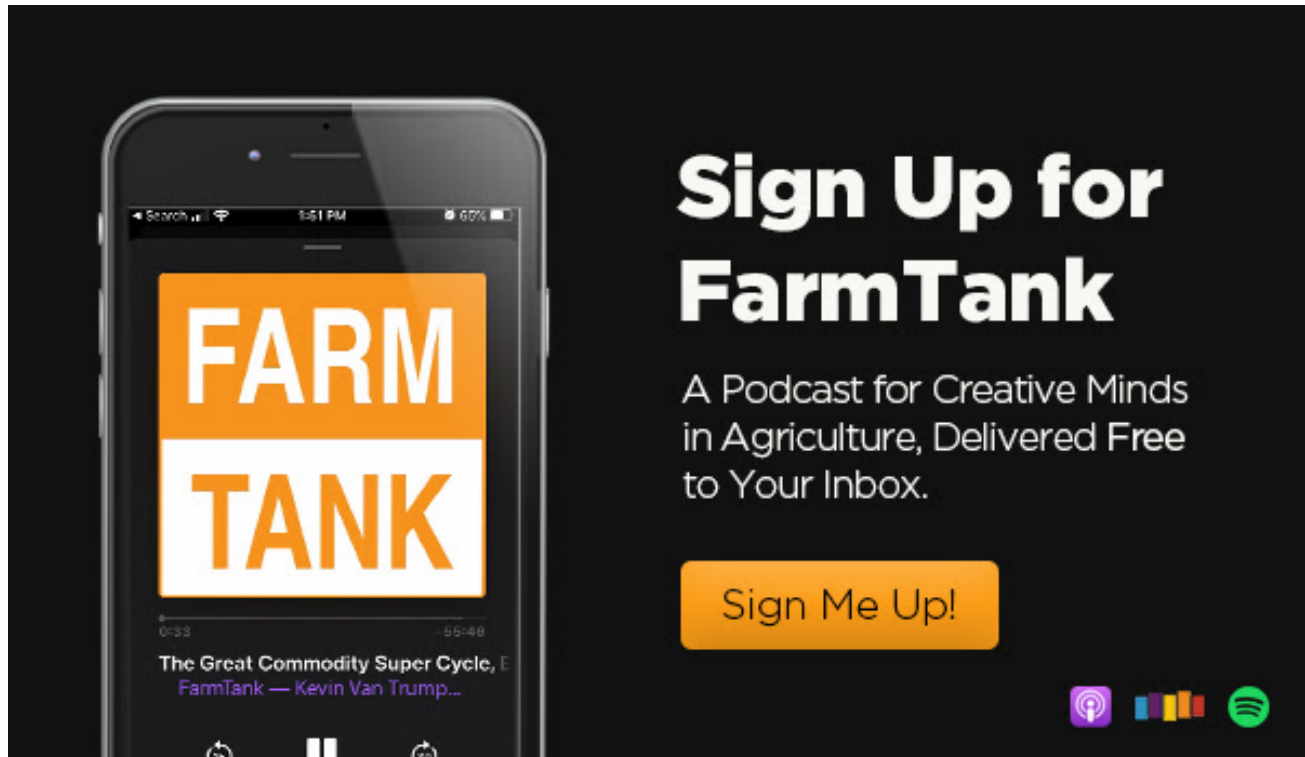
# Wheat Production Yield Difference

**May vs. July WASDE**  
(in Bushels per Acre)



@KevinVanTrump

Source: USDA, WASDE, July 2020



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The Great Commodity Super Cycle, E  
FarmTank — Kevin Van Trump...

### U.S. Production 2020/21

(million bushels)

Corn	July #’s	Avg. Trade Estimate	Range of Estimates	June Estimates	Last Year
Production	???	15,065	14,868 - 15,700	15,995	13,617
Yield	???	178.6	176.4 - 180.5	178.5	176.4

Soybeans	July #’s	Avg. Trade Estimate	Range of Estimates	June Estimates	Last Year
Production	???	4,157	4,115 - 4,382	4,125	3,552
Yield	???	50.1	48.8- 52.8	49.8	47.4

### US Wheat Production 2020/21

(million bushels)

	July #’s	Avg. Trade Estimate	Range of Estimates	June Estimates	Last Year
All Wheat	???	1,848	1,816 - 1,885	1,877	1,920
All Winter	???	1,246	1,223 - 1,285	1,266	1,304
Hard Red Winter	???	729	710 - 760	743	833

Soft Red Winter	???	290	269 - 298	297	239
White Winter	???	226	224 - 230	225	232
Spring	???	549	529 - 565	n/a	562
Durum	???	57	46 - 65	n/a	54

### U.S. Grain Ending Stocks 2019/20

(million bushels)

	July #'s	Avg. Trade Estimate	Range of Estimates	June Estimates	Previous Year
Corn	???	2,287	2,166 - 2,403	2,103	2,221
Soybeans	???	588	560 - 635	585	909

### U.S. Grain Ending Stocks 2020/21

(million bushels)

	July #'s	Avg. Trade Estimate	Range of Estimates	June Estimates
Corn	???	2,715	2,400 - 3,150	3,323
Soybeans	???	424	290 - 572	395
Wheat	???	954	825 - 1,006	925

### South American Production 2019/20

(million metric tons)

	July #'s	Avg. Trade Estimate	Range of Estimates	USDA June	Last Year
Argentina Corn	???	49.90	49.0 - 50.0	50.00	51.00
Argentina Soybeans	???	50.00	49.0 - 51.0	50.00	55.30
Brazil Corn	???	100.40	98.0 - 102.0	101.00	101.00
Brazil Soybeans	???	123.30	121.0 - 125.0	124.00	119.00

### World Ending Stocks 2019/20

(million metric tons)

	July #'s	Avg. Trade Estimate	Range of Estimates	June Estimates	Last Year
Corn	???	315.30	311.8 - 320.5	312.90	320.10

Soybeans	???	99.60	98.0 - 101.0	99.20	112.50
Wheat	???	297.20	296.0 - 298.5	295.80	279.80

### World Ending Stocks 2020/21

(million metric tons)

	July #'s	Avg. Trade Estimate	Range of Estimates	June Estimates
Corn	???	324.50	310.0 - 339.0	337.90
Soybeans	???	97.70	94.7 - 107.6	96.30
Wheat	???	315.90	311.8 - 318.5	316.10



**> Bayer puts Future Roundup Settlements on Hold:** *Bayer was forced on Wednesday to delay part of a proposed settlement of allegations that its widely used weedkiller Roundup caused cancer after a U.S. judge questioned its plan to deal with future claims. The German company said that lawyers representing those preparing a class action had withdrawn a request for court approval of the \$1.25 billion future claims scheme, part of a broader \$10.9 billion agreement to settle*



close to 100,000 U.S. lawsuits related to Roundup. Bayer said the wider agreement to settle current claims at a cost of up to \$9.6 billion was not affected by Wednesday's decision, which only impacted the agreement on future claims. Read more from [Reuters](#).

**> Keeping Tabs on Farm Rescue Efforts:** As of July 1, USDA had verified a total of 27.5 million food boxes delivered in the first round of the \$3 billion program, which aims to buy up surplus farm products and send them to food banks and other feeding programs where demand is surging. That's equivalent to \$755.5 million, or 63 percent of USDA's target, based on the average cost of food boxes, Reuters reports. By Tuesday, some 32 million boxes had been delivered and verified. Meanwhile, USDA's much larger direct payment program has now doled out nearly \$5.4 billion, out of the total \$16 billion up for grabs for farmers and ranchers burned by supply chain disruptions. Some industries are still looking to get a slice of the stimulus funds. More than 25 California lawmakers this week sent a letter to USDA asking Secretary Sonny Perdue to include wine grapes on the list of specialty crops that are eligible for aid. (Source: Politico)

**> USDA Makes Initial FMD Vaccine Purchase:** The U.S. Department of Agriculture's Animal & Plant Health Inspection Service (APHIS) announced the initial purchase of vaccine for the National Animal Vaccine & Veterinary Countermeasures Bank (NAVVCB). APHIS will invest \$27.1 million in foot and mouth disease (FMD) vaccine, which the agency would use in the event of an outbreak to protect animals and help stop the spread of disease, the announcement said. "While we are confident we can keep foot and mouth disease out of the country, as we have since 1929, having access to vaccine is an important insurance policy," USDA marketing and regulatory programs under secretary Greg Ibach said. Read more from [Feedstuffs](#).

**> G3 Canada Opens New Grain Terminal in Vancouver:** G3 Canada Ltd. this week opened the terminal at the port of Vancouver, the first to be built since the 1960s, boasting 180,000 metric tons of storage and the ability to unload a train in about 8 hours, faster than any of its peers. The facility is part of a strategy to move grain from Canada's prairies to the West Coast as it eyes markets including China and Indonesia, the second-largest wheat buyer. The opening comes at a time when Canadian exports from the West coast are booming even as simmering tensions with China stymie canola shipments from Richardson International and Glencore Plc's Viterro unit, two key exporters and G3 rivals. G3's Vancouver terminal can export 8 million tons of crops a year, a huge amount for a port that shipped 23.5 million tons in the 2018-19 season. Read more from [Bloomberg](#).

**> Dry Weather Could Reduce Argentine Wheat Planting:** The Buenos Aires grains exchange said on Wednesday it could further cut its forecast for Argentina's 2020/21 wheat planting area, currently at 6.5 million hectares, due the dry

*weather that has affected producing regions in recent weeks. Any further cut would be the third made by the key grains exchange, which at the beginning of the campaign had forecast a record wheat planting area of 6.8 million hectares. In its weekly crop report, the exchange said dry conditions were affecting western parts of the central agricultural region, areas of Cordoba province and Argentina's north. As of Tuesday, farmers had planted 86.8% of the planned area for wheat, the exchange added. Regarding 2019/20 corn, the Buenos Aires exchange said that dry conditions have favored the harvesting of the cereal, whose threshing is 86.4% complete and its production is estimated at 50 million tons. (Source: Reuters)*

**> Rural Power Providers hit by Coronavirus:** *Electric cooperatives, which serve about 42 million rural Americans, are a window of sorts into the far-reaching effects of the pandemic. Revenues of the cooperatives have taken a hit as the outbreak has curbed demand from commercial users and left many workers unemployed and unable to pay their bills. "What we're seeing here is the collateral damage," said Jeff Hohn, chief executive officer of Kenergy Corp, an electric cooperative that serves 14 rural counties in northwestern Kentucky where manufacturing plants including paper mills and auto suppliers have been hit by shutdowns. "The concern here is whether some of those businesses will come back." The National Rural Electric Cooperative Association (NRECA) estimates its members will suffer a revenue shortfall of \$10 billion through 2021. The NRECA has lobbied the U.S. Congress to adopt legislation allowing cooperatives to refinance government loans at lower interest rates to ease the pain. Read more from [Reuters](#).*

**> How Peacock Differs from Other Streaming Services:** *At this point in the streaming wars, Hulu has dominated the advertising video on demand (AVOD) market thanks to steady growth and a lack of competition. Major streaming rivals Netflix, Disney+, Amazon Prime Video, Apple TV+ and HBO Max currently don't employ ad-supported tiers and are instead entirely subscription-based. Meanwhile, roughly 70% of Hulu's users utilize its ad-supported model and while the streamer may not be as big as a Netflix or a Disney+, it can count on reliable revenue thanks to its ad sales. Now, Comcast and NBCUniversal want to take that model a step further with the forthcoming streaming service Peacock. The service, which launches July 15, will offer a unique tiered structure that includes a free premium ad-supported streaming service with subscription tiers. Comcast NBCUniversal is hoping that Peacock's cost-efficient offerings will entice cash-strapped Americans amid the ongoing global economic downturn spurred by the pandemic. Read more [HERE](#).*

**> Mike Rowe on Not Following Your Passion:** *The idea of following your passion may sound romantic, but it usually doesn't work out the way you think it will, according to "Dirty Jobs" host Mike Rowe. Too many people spend too much*

*time and money chasing their passion when seizing opportunity is a better bet, he says. Rowe explains that "if you think there's only one job in the country that can possibly satisfy your passion, then you're gonna spend a lot of time looking for that one job as opposed to finding an opportunity." He says many people he featured on "Dirty Jobs" were actually multimillionaires who achieved success by fulfilling a gap in the market rather doing what they were personally interested in. "The truth is, most passionate people on 'Dirty Jobs' anyway, they weren't passionate about what they were doing when they started doing it," Rowe says. Read more [HERE](#).*

**> Gary Larson's Shows Off New Digital Skills:** *Gary Larson, who retired the daily syndication of his The Far Side comic in 1995, has at last added long-anticipated new comics to his website. Larson explains that he's enjoying retirement but he's trying new things and drawing digitally for fun. "I don't want to mislead anyone here," Larson wrote. "This corner of the website -- New Stuff -- is not a resurrection of The Far Side daily cartoons. The New Stuff that you'll see here is the result of my journey into the world of digital art. I'm just exploring, experimenting and trying stuff." Anyone who read the newspaper funny pages from 1980-1995 will likely remember Larson's witty, single-panel Far Side comic. Larson's signature humor depicts the ludicrous sides of humanity, as well as the secret lives of animals - often cows. Read more about Larson's switch to digital and see all the new comics [HERE](#). (Source: Cnet)*

# THE FAR SIDE®

by GARY LARSON



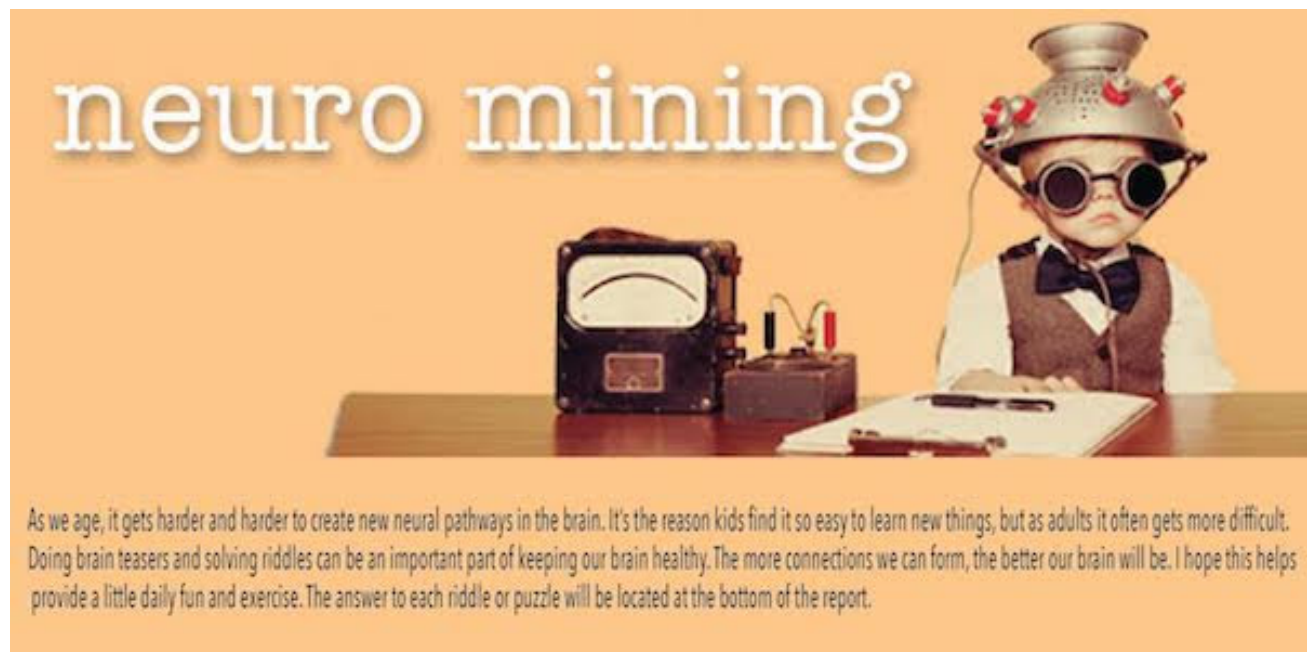
**Southeast South Dakota** - *I've been traveling a lot of South Dakota lately*



*meeting clients and around here it really is one of the best springs and early summers ever. I know a lot of folks up north in the state have been overly wet and have incurred most of the PP acres in our state. They definitely had a better start last year. As I've headed across I-90 there are a bunch of good looking stands so far. We finished all side-dressing, but will need to spray our beans again. We are still looking for that canopy to totally close. We are fortunate to have irrigation but we are going to see if we can make it to the next rain and save the water.*

**West Central Indiana** - *The corn looks phenomenal for us. It's already starting to tassel, which is actually a few weeks early. We will have a lot of tasseling corn by the end of the week. Fungicide applications should start going on soon. The soybeans are looking very good as well. This year we have high hopes for all our crops. We could definitely use a nice rain but we did get a nice three tenths a few days back which has been a huge help.*

**Northeast Nebraska** - *The corn and soybeans look good where they are not drowned out or in heavy soils that don't drain well. The corn looks great but some areas of beans are struggling from rain 2-3 times a week. Weed control has been very tough this year. It's either too windy or too wet to spray and now we are starting to show in spots. Lots of off label weed sizes. We went to Minnesota yesterday and there seems to be lots of moisture there as well. Sounds like western Iowa is having the opposite problem though.*



neuro mining

As we age, it gets harder and harder to create new neural pathways in the brain. It's the reason kids find it so easy to learn new things, but as adults it often gets more difficult. Doing brain teasers and solving riddles can be an important part of keeping our brain healthy. The more connections we can form, the better our brain will be. I hope this helps provide a little daily fun and exercise. The answer to each riddle or puzzle will be located at the bottom of the report.

**TODAY'S RIDDLE:** I can run but not walk. Wherever I go, thought follows close behind. What am I?





## Our Founding Farmers

This was passed along to me by good friends at [Holganix](#) and I wanted to share it with our readers. I thought it was fitting as many of my conversations over this past Independence Day holiday centered around our founding Fathers and just how far we are now drifting as a nation. I thought it was interesting however to read and remember just how innovative and "open to change" they really were.

Did you know that many of America's Founding Fathers were also Founding Farmers? Whether it was George Washington's work in soil health and composting, Benjamin Franklin's advocacy of gypsum fertilizer and crop insurance, John Adams' passion for composting and gardening, or Thomas Jefferson's plow innovations, the Founding Farmers were passionate about helping American farmers prosper. Below we explore the agricultural contributions by two of America's best known Founding Farmers: George Washington and Benjamin Franklin.

## George Washington: The Father of American Soil Health Practices

*"I would rather be on my farm than be emperor of the world." - George Washington, U.S. President and Founding Father.*

*Did you know, George Washington wasn't just the father of the United States, he was also the father of American soil health practices? He devoted his free time to agricultural experiments that focused on enriching the soil of his farm.*

*An avid farmer, those closest to Washington believed he was happiest when he was working his lands and conducting agricultural experiments. Originally a tobacco farmer, he eventually diversified his crops to include wheat, corn, and legumes.*

*Washington's speeches and essays strongly encouraged American farmers to incorporate practices that would enrich their soils, instead of wearing them out. He was a firm believer and experimenter in compost and crop rotation. Washington even went to lengths to explain composting practices and prove how composting could increase a farm's productivity over time.*

*According to the USDA, Washington "encouraged wealthier landowners to experiment with different practices on their land... reasoning that wealthy landowners could absorb the risk that comes with perfecting agricultural methods."*

*With time, Washington became an honorary member of the Philadelphia Society for the Promotion of Agriculture (America's first organization devoted to agricultural improvement) and the English Board of Agriculture (an honor rarely given to foreigners at that time).*

## **Benjamin Franklin: An Agronomist in the Making**

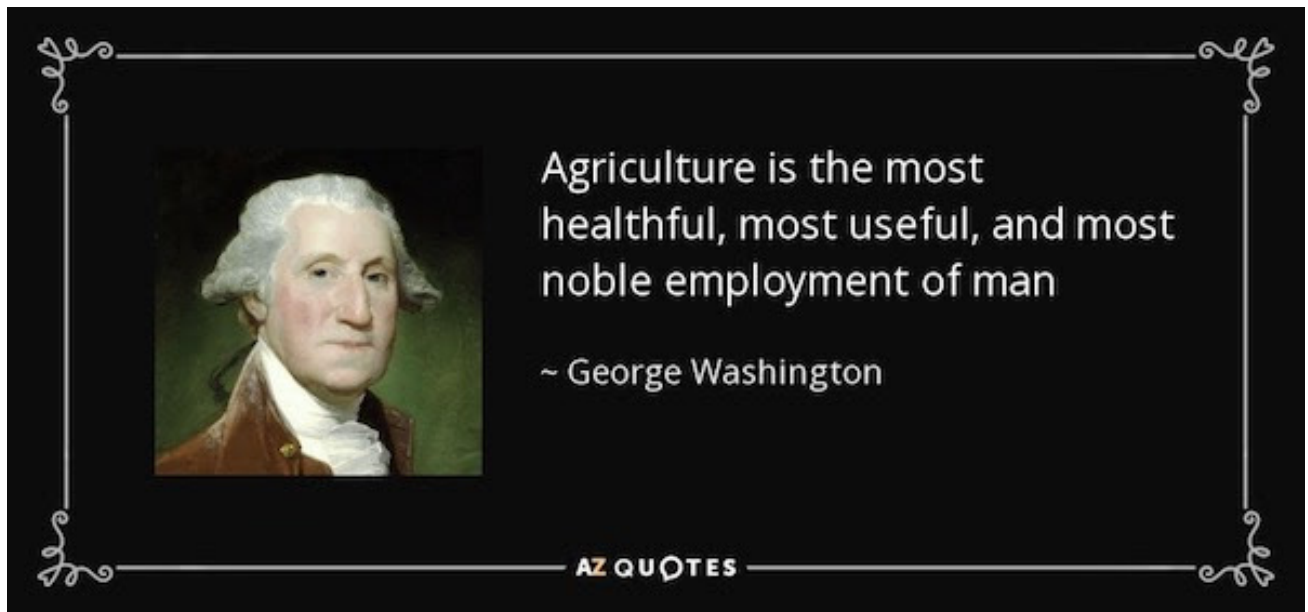
*"Plow deep while sluggards sleep, and you shall have corn to sell and keep." - Benjamin Franklin, U.S. Founding Father*

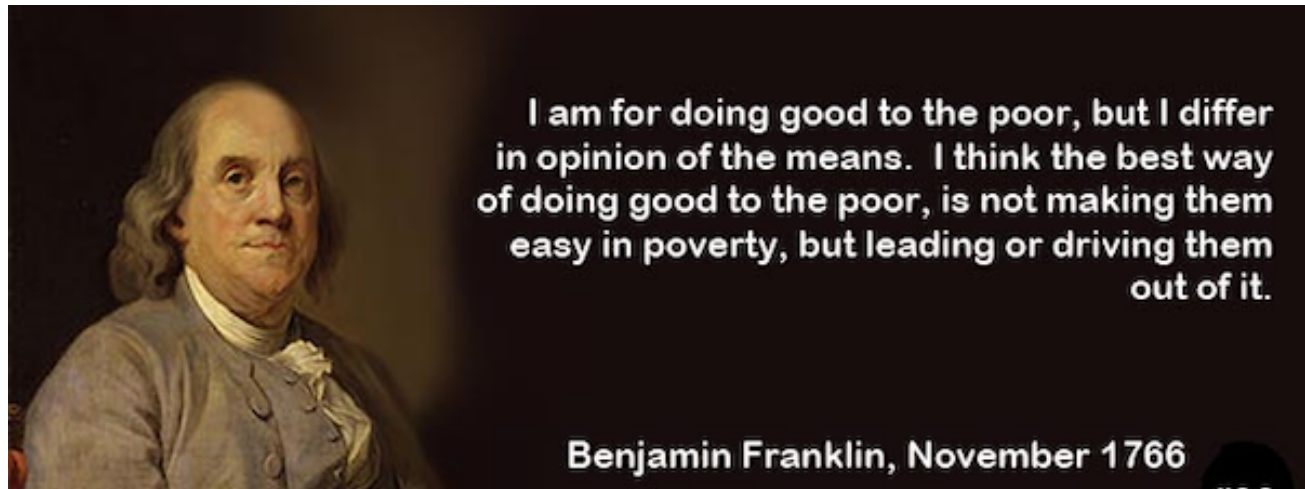
*Widely known for his scientific work, literary prowess, and diplomacy, few know that Benjamin Franklin was also an agricultural innovator and advocate.*

*When Franklin announced his retirement from the printing business in 1748, he purchased a 300-acre farm in New Jersey, managing it like a "miniature experiment station, carrying on projects in drainage, in crop rotation, and especially in the utilization of the newer grasses and liming and fertilization." While Franklin's retirement was short lived and he quickly succumbed to requests for his participation in public affairs, he continued to study, educate and encourage agriculture innovations.*

*Throughout the course of his life, Franklin published a number of books and papers on agriculture and botany, covering topics and practices learned in America and abroad in Europe. He was known for his work in introducing and educating Americans on the use of gypsum as fertilizer (a practice borrowed from Europe) and was an advocate for implementing crop insurance.*

*In addition, Franklin is attributed with introducing scotch kale, swiss barley, Chinese rhubarb, and kohlrabi to America from Europe, and for introducing timothy grass and Newtown Pippin Apples to England, along with a number of nuts, trees, and shrubs to France.*





### **Kids Continue to Pick the NEW Winners... But I'm a Bit More Conservative**

I taught the kids about investing and the markets when they could first read. I remember them always coming into my office and looking at the cool charts and graphs. They would ask a bunch of questions and I would provide the basic learning blocks. Between the ages of 10 and 12, I would let them pick a few stocks each year. For my son Jordan, in the early days, he would generally pick stocks like Nike, Under Armour, or perhaps Ford or GM depending on the new pickup truck he liked best. My daughter Kennedy, would pick stocks like Disney, Apple, and Google because they owned YouTube. As the kids got older many of the dinner table talks started to revolve around new trends and new businesses that the kids were seeing become popular. Here we are today, and my biggest winners in the past few years have been simple suggestions from the kids.

I guess I'm just expounding on my "old bear and young bull" theory... But I have to admit, these high-flying stock now scare the hell out of me. I've included a few charts of the kid's top-picks below. They are still holding most all of these stocks. While I'm mostly out and on the sideline. I have a few positions on but I am much more cautious than the kids. Perhaps it's all of the battle scars and deep wounds of experience. I tell the kids, I remember trading the high-flyers back in the [dot.com](#) heydays and that didn't end really well. I also remember the little push higher before the fallout in 2008. I'm not saying this is anything similar to the past but the previous pain of falling from the highs has certainly made me hesitate and become much more conservative in nature.

I suspect many of us on the farm or in businesses with multi-generations involved experience the same thing. The old folks seem to be more bearish and less willing to try new things. While the younger folks are much more bullish and optimistic about new ideas and new ways of doing things. I tell the kids, I probably discard a lot of their good ideas and thoughts simply because I don't fully understand. It's something I now have to more consciously consider. I challenge all of my older friends to take a moment and think the next time the kids come your way with a

new idea. Do just discount it because you don't fully understand? Or have you simply become much more conservative in nature? Don't forget, however, to keep the business moving forward and to keep up with the competition you have to be open to new ideas and new risks. I also challenge the younger kids to think about and better understand the perspective of their elders. Many of us have come from much more dire and poor conditions and are apprehensive to take the risk because we don't want to see the kids have to go back and do what we did. It's certainly an interesting psychological dilemma that needs to be given lots of thought...

**Adobe (ADBE):** *My daughter came to me with this idea about a year ago. She said a ton of her friends and kids on many campuses across the country were signing up for Adobe to use the photoshop features to edit their social media pics. The company has a subscription-based model so it made a ton of sense to me. Adobe also offers products and services used by professionals, marketers, knowledge workers, application developers, enterprises and consumers for creating, managing, optimizing and engaging with compelling online content and experiences. Its Digital Media segment provides tools and solutions that enable individuals, small and medium businesses and enterprises to create, publish, promote and monetize their digital content. My daughter still owns the stock. The stock traded down to \$255 and is now over \$455 per share. Wow!*



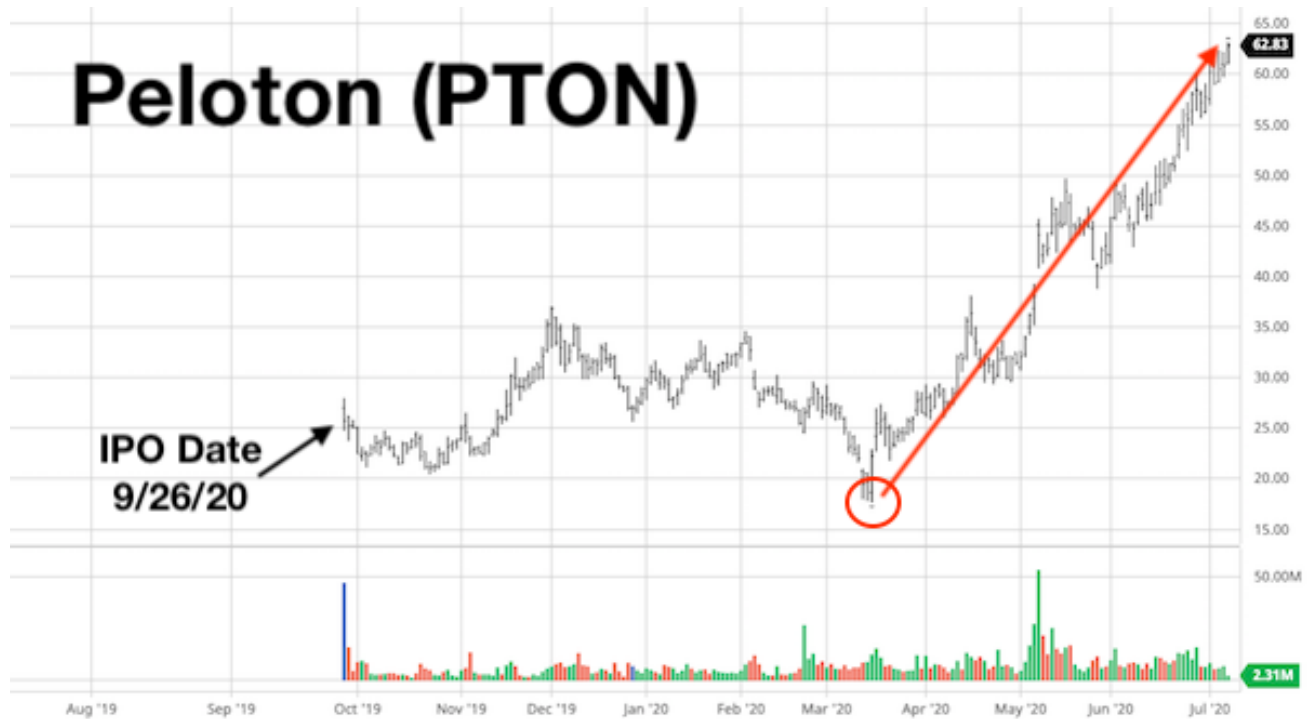
**Fastly (FSLY):** *Fastly, Inc. is a real-time content delivery network (CDN) company providing services in the areas of delivery, security, streaming media, e-commerce and private CDN. With Fastly, the user can manage traffic spikes and mitigate security threats. Fastly works with Google Cloud*



*Platform to extend the user's infrastructure and application logic for content delivery, backend workload, infrastructure costs and scalability. Fastly's streaming media services offer global delivery of video content, whether it's live or video on demand (VOD). This stock has exploded in the past few months, jump ing from sub-\$12 in mid-March to over +\$90 per share. Its customers include Wayfair and Shopify to name a few.*



**Peloton (PTON):** *Peloton Interactive, Inc. is a provider of an interactive fitness platform. Peleton provides connected, technology-enabled fitness and the streaming of instructor-led boutique classes to its members. The exercise bike maker's stock is up +200% off March lows and has rallied more than 100% this quarter alone. From recent news, Cowen upped its price target to a Street high of \$70 from \$54 per share last week, calling it a pioneer in the space. Peloton also had 886,100 connected-fitness subscribers at the end of March with all of them paying an additional \$39 a month for their subscription, which is up 94% over the past year. I should also note, I've heard many traders call Peloton the Netflix of Fitness. For disclosure, my son has been riding the Peleton wave since early-March and is currently still invested. Again, the subscription model seems to be the winning theme...*



**Shopify (SHOP):** *Shopify Inc. provides a cloud-based e-commerce platform designed for small and medium-sized businesses. Shopify's software is used by merchants to run their business across all of their sales channels, including Web and mobile storefronts, physical retail locations, social media storefronts and marketplaces. The Shopify platform provides merchants with a single view of their business and customers across all of their sales channels and enables them to manage products and inventory, process online orders and payments, ship orders, build customer relationships and leverage analytics and reporting all from one integrated back office. Those who might have been smart enough to invest \$10,000 in Shopify at its initial public offering price in May 2015 would now be sitting on over +\$350,000. It seems like many traders currently like the stock due to how much growth potential it has ahead. Last year, Shopify crossed a huge milestone signing up its 1 millionth merchant on its platform, but at the end of the day, that's nothing compared to the 28.8 million small businesses in the U.S. that have potential to use the platform. Personally, my son has been using Shopify a lot with his AgSwag business and it looks extremely easy to use, which is why it's so popular. The company basically provides the online shopping platform for many businesses. For disclosure, I'm currently invested in the stock and it's my son's biggest holding at the moment.*



**Spotify (SPOT):** Spotify Technology offers digital music-streaming services enabling users to discover new releases, which includes the latest singles and albums; playlists, which includes ready-made playlists put together by music fans and experts, and over millions of songs so that users can play their favorites, discover new tracks and build a personalized collection. Users can either select Spotify Free, which includes only shuffle play or Spotify Premium, which encompasses a range of features, such as shuffle play, advertisement free, unlimited skips, listen offline, play any track and high-quality audio. The stock has been on fire lately as it's up +100% since its March 16th low. It seems like the company has seen its biggest surge due to their podcast acquisition binge in recent months inking deals with Warner Bros. and DC for exclusive scripted podcasts, landing the popular "Joe Rogan Experience" — which is No. 2 on Apple podcasts — and scoring Kim Kardashian for a podcast on criminal-justice reform. I should also note, Goldman Sachs analyst Heath Terry recently boosted his price target on the stock to \$280 from \$205. In addition, Jim Cramer from CNBC "Mad Money" recently said, "Spotify is the next Netflix of music and podcasting" due to their recent investments in exclusive content. For disclosure, this is an investment my daughter got in at the beginning of 2020 while the rest of the family has been on the sideline watching her return massive gains. I should have listened to her.



**Zoom (ZM):** Zoom Video Communications, Inc. offers a platform, which unifies cloud video conferencing, online meetings, group messaging and a software-based conference room system, which enables users to easily experience Zoom Meetings in their home or current physical meeting spaces. Its solution offers video, audio and screen-sharing experience across Windows, Mac, Linux, Android, BlackBerry, Zoom Rooms, etc. This stock has been all over the place in 2020, but it's still up +275% YTD. Since last December, its user base has grown from less than 10 million daily meeting participants to over +300 million daily as of late April. Even though this stock has been surging higher in recent weeks, one thing I've found odd is Zoom Video execs have already sold more company stock in June than at any other point this year, generating \$119 million for just 7 insiders. This is definitely one to keep an eye as I've heard many experienced and good traders argue both sides that the stock is over-valued and under-valued, making it a certain battleground stock. For disclosure, the entire family has been in and out of Zoom, i.e. we banked some profits and reowned in a smaller capacity.





## A Unique Way To Think About "STRESS"

I received an e-mail the other day that made a lot of sense to me and wanted to share it. With the growing season right around the next corner and prices teetering around break-even, I thought an article on "stress management" might be helpful.

Stress Without Distress - Joel F. Wade, Ph.D., *"Man should not try to avoid stress any more than he would shun food, love or exercise."* - Hans Selye

It is common knowledge that too much stress is bad for us; yet stress is also a necessary and vital part of living well. Anything that you do that involves challenging yourself or pushing yourself beyond your comfort zone will involve a degree of stress.

Happiness is not the absence of stress; it is living with a degree of stress that we can manage. And there's new research that turns what we thought we knew about stress on its head - what's most important for our health and well-being is not the stress itself, but what we believe about stress.

When we're feeling too much stress in our lives, there are two things that we can try:

- Do less of what causes us stress
- Learn to manage a higher level of stress

## Decreasing Stress

Legendary UCLA basketball coach John Wooden said, "Do not let what you cannot do interfere with what you can do." That one sentence contains great leverage for decreasing stress. A major cause of stress is worrying and spinning our wheels trying to do things that are outside of our control.

When we focus on what we can't do, we feel simultaneously revved up to want to do something and helpless to actually do anything. It's like having one foot on the accelerator and the other on the brake at the same time. To that end, focusing most of our efforts on what we can do will make us more effective, and less stressed out.

Another thing we can do to decrease external stress is to take stock of our environment and find what increases our stress. Do you spend a lot of time commuting? Are you in an environment that overloads your senses, or in which you feel threatened? If you can change such things you can lower your stress levels.

## **Managing Stress**

Three simple but effective things we can do to increase our capacity for stress:

- Deliberately breathing more slowly and deeply (not too deeply that you hyperventilate): Breathing between four and six breaths per minute for a few minutes a day can help calm your system overall.
- Meditation, prayer, giving yourself time to look at the stars at night... anything that trains your body and mind to relax will strengthen your ability to relax when you need to.
- Regular physical exercise: There are huge psychological benefits to regular exercise - including strengthening our capacity for stress.

Finally, one of the most effective strategies for managing stress is to make plans.

Making plans is like preventative stress management. If you know what have to accomplish in a given period, you'll be less likely to get caught by surprise and overwhelmed by something you hadn't prepared for. If you can map out specific and doable tasks that you need to complete along the way, doing so will help you to feel competent and effective - as opposed to helpless and stressed out.

## **Stress Might Not be the Problem**

In a TED talk, Kelly McGonigal of Stanford University revealed a new finding about stress (Click [HERE](#) to View). We used to think that too much stress could be very bad for us. In fact, people with high levels of stress have a 43% higher probability of dying than those with lower levels of stress.

But it turns out that it's not the stress itself that does harm. Those with high levels of stress who believed that stress is bad for them indeed had a 43% higher probability of dying than those with lower levels of stress. But those with just as high levels of stress who believed that stress was a normal and healthy response to the challenges of life were actually healthier than those with lower levels of stress.

In other words, it's not the actual stress, but the belief that stress is bad for us that does the damage. In fact, the belief that stress is bad for us is the 15th-highest cause of death in America.

When we believe that stress is bad for us, our arteries constrict and tighten. When we believe that stress is just a natural part of a life well-lived, our arteries are relaxed and are actually in the same state as they are when we experience joy.

We know the power of placebo, but most people inaccurately think that placebo just means phony. In fact, placebo is just another way of saying that a belief affected us in a way that we can't yet explain. There is also the effect of nocebo - which is a negative effect from a belief, like the one that McGonigal describes.

How we think about things matters. When you're feeling stress, if you're fretting over the potential negative impact of that stress, stop what you're doing. We do harm to ourselves by fearing our own emotions and experiences, and the first step to more resilience is to accept what's true.

Acknowledge that you are facing some challenges, and your heart, your nervous system, your lungs and organs, your muscles, and your brain, are all working on your behalf to help you to meet whatever your challenge may be. What your body is doing is a good thing, a healthy thing, and the right thing for it to do to get you through life's challenges.

Our body's response to stress is what allows us to lean into life. When we feel too much stress, we can do things to limit it, and we can practice skills to strengthen ourselves around it. For all of us who own businesses or farms we have to tell ourselves we are "risk takers" that's what we do. And "risk takers" take risk... In return, there is going to be stress and we need to let our body know it's coming and could be around often!

Just because we're in  
a stressful situation  
doesn't mean that we have to  
get stressed out. You may be  
in the storm. The key is,  
don't let the storm get in you.

— JOEL OSTEEN

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It's not the load that  
breaks you down, it's  
the way you carry it.

—  
- Lou Holtz

**ANSWER to riddle:** A nose.

## CASH SALES & HEDGING TOTALS

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### Corn 2019 Crop

**60% SOLD**

100% HEDGED

### Soybean 2019 Crop

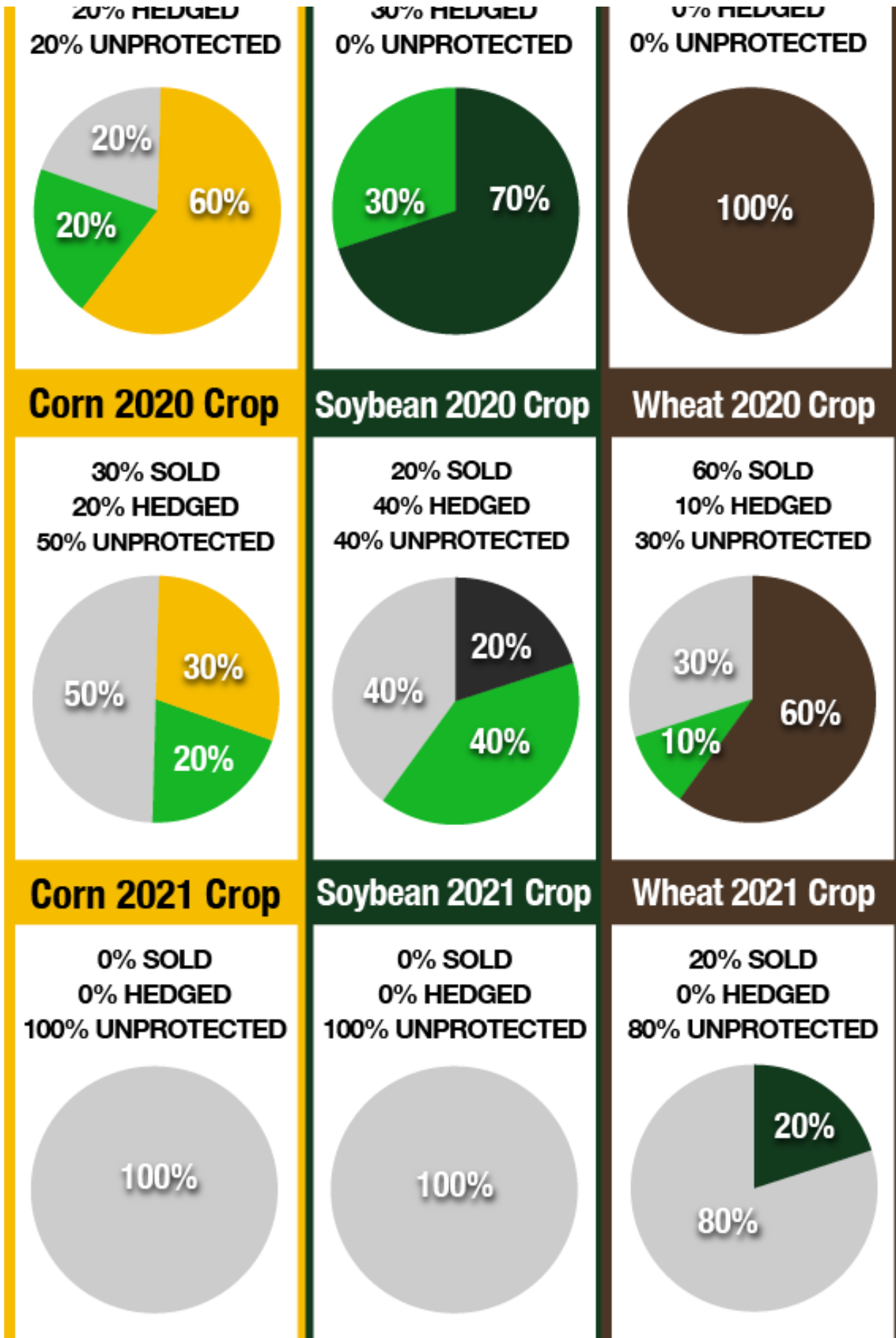
**70% SOLD**

100% HEDGED

### Wheat 2019 Crop

**100% SOLD**

100% HEDGED





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